

MARC J. FAGEL (Cal. Bar No. 154425)
MICHAEL S. DICKE (Cal. Bar No. 158187)
ROBERT TASHJIAN (Cal. Bar No. 191007)
tashjianr@sec.gov
LLOYD FARNHAM (Cal. Bar No. 202231)
farnhaml@sec.gov
VICTOR W. HONG (Cal. Bar No. 165938)
hongv@sec.gov

Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
44 Montgomery Street, 26th Floor
San Francisco, California 94104
Telephone: (415) 705-2500
Facsimile: (415) 705-2501

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ARNOLD A. MCCLELLAN and
ANNABEL MCCLELLAN

Defendants.

Case No. 10-CV-05412 WHA

FINAL JUDGMENT AS TO
DEFENDANT ANNABEL
MCCLELLAN

The Securities and Exchange Commission having filed a Complaint and Defendant Annabel McClellan having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant Annabel McClellan and Defendant's agents, servants, employees, attorneys, and all persons in active

concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise are permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

(a) to employ any device, scheme, or artifice to defraud;

(b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or

(c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay a civil penalty in the amount of \$1,000,000 pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1]. Defendant shall make this payment pursuant to the terms of the payment schedule set forth in paragraph III below. The civil penalty amount shall be reduced by any criminal fine paid by the Defendant in the criminal action *United States v. Annabel McClellan*, Case No. CR-10-0860 WHA (N.D. Cal., filed Nov. 24, 2010). Defendant shall make payments by certified check, bank cashier's check, or United States postal money order payable to the Securities and Exchange Commission. The payment shall be delivered or mailed to the Office of Financial Management, Securities and Exchange Commission, 100 F Street, NE, Stop 6042, Washington DC 20549, and shall be accompanied by a letter identifying Annabel McClellan as a defendant in this action; setting forth the title and civil action number of this action and the name of this Court; and specifying that payment is made pursuant to this Final Judgment. Defendant shall pay post-judgment interest on any delinquent amounts pursuant to 28 USC § 1961. The Commission shall remit the funds paid pursuant to this paragraph to the United States Treasury.

III.

Defendant Annabel McClellan shall pay \$1,000,000 in three installments according to the following schedule: (1) \$250,000, paid within 10 days of entry of this Final Judgment; (2) \$250,000, paid within 180 days of entry of this Final Judgment; and (3) \$500,000, paid within 360 days of entry of this Final Judgment. The civil penalty amount shall be reduced by the amount of any criminal fine paid by the Defendant in the criminal action U.S. v. Annabel McClellan, Case No. 10- CR-0860 WHA (N.D. Cal., filed Nov. 24, 2010), and any such reduction shall be applied to any installment due after payment of the criminal fine.

If Annabel McClellan fails to make any payment by the date agreed or in the amount agreed according to the schedule set forth above, all outstanding payments under this Final Judgment, including post-judgment interest, minus any payments made, shall become due and payable immediately without further application to the Court.

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

VI.

There being no just reason for delay, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment forthwith and without further notice.

The Court will retain jurisdiction for three years.

Dated: October 24, 2011.

William Alsup
UNITED STATES DISTRICT JUDGE

1 Approved as to form:

2 /s/ Nanci Clarence

3 Nanci Clarence
4 Nicole Howell Neubert
5 CLARENCE & DYER LLP
6 899 Ellis Street
7 San Francisco, CA 94109
8 Tel.: (415) 749-1800
9 Attorneys for Defendant
10 ANNABEL McCLELLAN

11 Submitted by:

12 /s/ Robert L. Tashjian

13 Robert L. Tashjian
14 SECURITIES AND EXCHANGE COMMISSION
15 44 Montgomery Street, Suite 2600
16 San Francisco, California 94104
17 Tel.: (415) 705-2500
18
19
20
21
22
23
24
25
26
27
28